

# CITY OF MUSKEGON

## CITY COMMISSION MEETING

**DECEMBER 8, 2015**

**CITY COMMISSION CHAMBERS @ 5:30 P.M.**

### **MINUTES**

The Regular Commission Meeting of the City of Muskegon was held at City Hall, 933 Terrace Street, Muskegon, MI at 5:30 p.m., Tuesday, December 8, 2015.

Pastor Tim Cross, Living Word Church, opened the meeting with prayer, after which the Commission and public recited the Pledge of Allegiance to the Flag.

#### **ROLL CALL FOR THE REGULAR COMMISSION MEETING:**

Present: Mayor Stephen Gawron, Vice Mayor Lawrence Spataro, Commissioners Turnquist, Johnson, Hood, and Rinsema-Sybenga, City Manager Franklin Peterson, City Attorney John Schrier, and City Clerk Ann Meisch.

Absent: Commissioner German

#### **2015-89 CONSENT AGENDA:**

##### **A. Approval of Minutes** City Clerk

SUMMARY OF REQUEST: To approve the Minutes of the November 24, 2015 City Commission Meeting.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Approval of the Minutes.

##### **B. Gaming License Request from the Muskegon Catholic Education Foundation** City Clerk

SUMMARY OF REQUEST: The Muskegon Catholic Education Foundation is requesting a resolution recognizing them as a non-profit organization operating in the City for the purpose of obtaining a Gaming License.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Approval of the request.

##### **C. Request to Deny & Accept Properties That Did Not Sell During the Tax Sale for 2015** Planning & Economic Development

SUMMARY OF REQUEST: The County of Muskegon held two delinquent tax

auctions during 2015. There were one hundred and six (106) properties left after the last auction. According to the State's tax foreclosure laws, the City must state that they are not interested in obtaining them, otherwise the City will automatically receive ownership of the parcels. From the list that was provided, Planning and Community and Neighborhood services have gone over the parcels to determine which ones to accept.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To deny and accept certain parcels and authorize the Mayor and the Clerk to sign the resolution.

#### **D. 2016 User Fee Update** Finance

SUMMARY OF REQUEST: City departments have reviewed and updated their user fees and these have been incorporated into the Master Fee Resolution for your consideration.

The new fees and fee changes that are being proposed include the following:

- Correction to two Cemetery's grave fees that were actually updated in 2015;
- Reactivated the DPW "Replace Employee ID/Access Card" fee and at a lower fee due to lower costs;
- Removed specific times and names of specific parks for Park Building Usage/Rental so that it is applicable to all park buildings;
- Added a new channel picnic shelter rental rate for reservations between April 15 and September 30;
- Numerous miscellaneous modifications to the Farmers Market fees following the second season of operating at the new market location;
- Environmental Services added a new fee for building board-ups requiring 6 or more boards and increased administrative overhead on demolitions from 10% to 15% of costs;
- Fees for rental of Farmers' Market facilities have been added;
- Added new fees for use of Farmers Market Kitchen which opened in 2015;
- Changed the minimum amount charged for Obsolete Property Rehab Filing, IFT Application, and Commercial Rehab Filing fees from \$400 to \$500;
- Added new fee in Planning for IFT/CFT/OPRA/Commercial Rehab District establishment if it is done at a separate meeting from the issuance of the certificate;
- Police Department reduced several fees charged for special liquor licenses and added new classifications to differentiate between special licenses requested by outside city requestors versus in city requestors.

FINANCIAL IMPACT: Revenue generated for fee supported activities.

BUDGET ACTION REQUIRED: None at this time. Adoption of the Master Fee Resolution will help the City attain its budgeted revenue estimates.

STAFF RECOMMENDATION: Approval

**E. Local Parking Ordinance Amendments** Director of Public Safety

SUMMARY OF REQUEST: During the City's last codification several sections of the parking ordinance were amended. In order to have the City's enforcement ordinances align with State law, some ordinances were moved to different sections of the code. Some noted sections of the ordinance were inadvertently removed during codification while rewriting the municipal code. Staff has worked with the codifications personnel as well as our own City Attorney to draft the needed changes.

As such, Sections 58-3, 92-33, 92-71, 92-73, and 46-204 of the City of Muskegon ordinances have been rewritten to reflect the previously adopted ordinances and updated modifications because of changes to the Uniform Traffic Code and to include the fee schedule for parking, civil violations, boat launch permits, and local parking restrictions.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Adoption of the ordinances and fee schedule as presented.

**F. 2016 Salary Schedule and Fringe Benefits for Non-Represented Employees** City Manager

SUMMARY OF REQUEST: To approve and adopt the proposed salary ranges and salary schedules for the non-represented administrative, technical, professional, and supervisory employees for 2016 (\$1,300 increase per position), and to approve the following fringe benefit changes:

1. An increase in the Health Care Savings Program employer match from 2% of wages to 3% of wages.
2. Increase unused sick time cash payouts at the time of retirement from 50% to 75%.
3. Authorize the reimplementation of the city's tuition reimbursement program at a rate of \$1,000 per year per eligible employee.

FINANCIAL IMPACT: The changes will cost approximately \$50,000, plus approximately \$15,000 in added taxes and fringe benefit costs.

BUDGET ACTION REQUIRED: To authorize the necessary 2016 budgetary amendments and transfer of money from the affected City funds (Contingency Account for General Fund) to the appropriate salary and fringe benefit accounts to accommodate the salary increases and fringe benefit adjustments.

STAFF RECOMMENDATION: To approve and adopt the proposed salary ranges, salary schedules, and fringe benefit changes for non-represented employees for 2016.

**G. SEIU Unit 2 – DPW Contract** City Manager

SUMMARY OF REQUEST: SEIU DPW Unit has a wage opener for the 2016 calendar year. In addition to the need to establish wage rates for 2016, both the Union and the City agreed that there was an additional need to reclassify a number of positions to assist with recruitment and retention. The following terms were tentatively agreed to by both parties:

1. 2.5% wage increase effective January 1, 2016
2. A one-time 1% lump sum deposit into the employee Health Care Savings Program
3. Relocation of the Filtration Plant Operator and Civil Engineers to Pay Range 1
4. Relocation of the Water Filtration Maintenance Operator to Pay Range 3
5. Relocation of the Chief Operator to a new Pay Range with a top pay of \$64,000.

FINANCIAL IMPACT: As indicated above.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To thank the members of the SEIU DPW Unit for their hard work and dedication to the citizens of Muskegon, and approve the tentative agreement, and to authorize the Mayor and Clerk to sign the contract.

**H. Proposed Amendment to the Purchasing Policy** City Clerk

SUMMARY OF REQUEST: Our Purchasing Policy regarding public notices for bids has not been updated in many years. Currently it requires a notice to be published a minimum of ten days prior to a bid opening. This requirement doesn't always allow staff to move in a timely matter.

The modified policy would require the City to place all bid notifications on the City's website and social media and allow any company or individual to sign up to receive notification of new bids by registering on our website. Staff will also be required to notify all bidders who have bid on a similar project within the last two years.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To approve the amendment to the Purchasing Policy.

**I. Permanent Traffic Control Order – Install Permanent “Stop” Signs at 5<sup>th</sup> and 7<sup>th</sup> Streets as They Intersect Muskegon and Webster Avenues per Traffic Control Order #21-(2015)** Department of Public Works

SUMMARY OF REQUEST: Authorize staff to install permanent “Stop” signs at 5<sup>th</sup> and 7<sup>th</sup> Streets as they intersect Muskegon and Webster Avenues per Traffic Control Order #21-(2015).

FINANCIAL IMPACT: Cost of signs/posts and man-power to install, if approved.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Authorize DPW staff to install “Stop” Signs at 5<sup>th</sup> and 7<sup>th</sup> Streets @ Muskegon Avenue and 5<sup>th</sup> and 7<sup>th</sup> Streets @ Webster Avenue per Traffic Control Order #21-(2015).

**J. 2<sup>nd</sup> Amendment to Agreement with Muskegon Lakefront, LLC**  
City Manager

SUMMARY OF REQUEST: Muskegon Lakefront LLC has asked for an extension to the agreement entered into on November 30, 2007. The purpose of the agreement is to provide time for the group to pay the 2013 and 2014 taxes, and to begin marketing the property for other lakefront uses. This amendment will extend the terms of the original agreement to March 31, 2016. In exchange for the amendment, the City will place its outstanding special assessment onto the tax roll immediately, while Muskegon Lakefront LLC will immediately pay the outstanding 2013 property taxes and begin making regular monthly payments on the 2014 property taxes. Muskegon Lakefront LLC will also begin marketing the property for development independent from casino development.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Staff recommends approving the 2<sup>nd</sup> Amendment to the Agreement with Muskegon Lakefront, LLC.

**Motion by Vice Mayor Spataro, second by Commissioner Hood, to approve the consent agenda as read.**

**ROLL VOTE: Ayes: Johnson, Gawron, Hood, Spataro, Rinsema-Sybenga, and Turnquist**

**Nays: None**

**MOTION PASSES**

## **2015-95 PUBLIC HEARINGS:**

### **A. Public Hearing – Request for an Industrial Facilities Exemption**

**Certificate – ExCell Machine & Tool Co., LLC** Planning & Economic Development

SUMMARY OF REQUEST: Pursuant to Public Act 198 of 1974, as amended, ExCell Machine and Tool, 1084 E Hackley Avenue, has requested the issuance of an Industrial Facilities Tax Exemption (IFT) Certificate. The company recently completed a \$91,000 investment in a building addition that will create two new jobs. This qualifies them for an abatement of 12 years on real property. The State Tax Commission allows companies to apply for an IFT within six months of project commencement. This project started on July 16, 2015.

FINANCIAL IMPACT: The City will capture certain additional property taxes generated by the expansion.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Approval of the resolution granting an Industrial Facilities Exemption Certificate for a term of 12 years on real property.

### **PUBLIC HEARING COMMENCED:**

**Motion by Commissioner Rinsema-Sybenga, second by Commissioner Johnson, to close the public hearing and approve the resolution granting an Industrial Facilities Exemption Certificate for a term of 12 years on real property.**

**ROLL VOTE: Ayes: Hood, Spataro, Rinsema-Sybenga, Turnquist, Johnson, and Gawron**

**Nays: None**

### **MOTION PASSES**

## **2015-96 NEW BUSINESS:**

### **A. Concurrence with the Housing Board of Appeals Notice and Order to Demolish the Following:** Public Safety

**900 W GRAND**

SUMMARY OF REQUEST: This is to request that the City Commission concur with the findings of the Housing Board of Appeals that the structure located at 900 W. Grand is unsafe, substandard, a public nuisance, and that it be demolished within thirty (30) days or infraction tickets may be issued. It is further requested that administration be directed to obtain bids for the demolition of the structure and that the Mayor and City Clerk be authorized and directed to execute a contract for demolition with the lowest responsible bidder or staff may issue infraction tickets to the owner, agent, or responsible party if they do not demolish the structure.

FINANCIAL IMPACT: MSHDA Land Bank Grant

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To concur with the Housing Board of Appeals decision to demolish.

**Motion by Vice Mayor Spataro, second by Commissioner Rinsema-Sybenga, to concur with the Housing Board of Appeals decision to demolish 900 West Grand.**

**ROLL VOTE: Ayes: Spataro, Rinsema-Sybenga, Turnquist, Johnson, Gawron, and Hood**

**Nays: None**

**MOTION PASSES**

**B. Small Wine Maker & Small Distiller – 18<sup>th</sup> Amendment LLC** City Clerk

SUMMARY OF REQUEST: The Liquor Control Commission is seeking local recommendation on a request from 18<sup>th</sup> Amendment, LLC, for a Small Wine Maker and Small Distiller License to be located at 350 W. Western Avenue.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Approval of the request.

**Motion by Commissioner Johnson, second by Vice Mayor Spataro, to approve the request for a Small Wine Maker and Small Distiller License to be located at 350 W. Western.**

**ROLL VOTE: Ayes: Gawron, Hood, Spataro, Rinsema-Sybenga, Turnquist, and Johnson**

**Nays: None**

**MOTION PASSES**

**PUBLIC PARTICIPATION:** Public Comments were received.

**ADJOURNMENT:** The City Commission Meeting adjourned at 6:10 p.m.

Respectfully Submitted,

Ann Marie Meisch, MMC  
City Clerk